

No. 9.
INFORMATION FOR THE ELECTORS.

OUR IMPORT TRADE.

COMMERCIAL RELATIONS WITH BRITAIN AS AFFECTED BY THE TARIFF.

IMPORTS OF RAW MATERIALS—CONSUMPTION OF TEA AND SUGAR—HOW THE NATIONAL POLICY HAS PRO- MOTED HOME INDUSTRIES.

Opponents of the National Policy base much of their criticism upon the figures relating to the foreign trade of Canada. If they would deal honestly with the returns, there would be no cause for complaint, because interesting knowledge of the working of the present fiscal system can be derived from the statistics of our import and export trade. But the hostile critics ignore in all criticisms two material considerations: (1) the decline in the price of all commodities since 1878, which affects the aggregate value of foreign trade, and (2) the changes which have occurred in the character of our imports, to some of which latter we propose briefly to allude. The total value of imports into Canada during the five years of Liberal rule, and during the last five years of National Policy, has been—

VALUE OF IMPORTS.

Liberal Period.	Conservative Period.
1874.....\$128,213,582	1886.....\$104,424,561
1875.....123,070,283	1887.....112,892,236
1876.....93,210,346	1888.....110,894,630
1877.....99,327,962	1889.....115,224,931
1878.....93,081,787	1890.....121,858,241
\$536,903,960	\$565,294,599

So that even upon the face of the returns the exhibit is altogether favorable to the existing policy. The purpose of the National Policy was two-fold: to produce an adequate public revenue and to promote home industry. That the first object has been attained is well-known, the finances of Canada having continued in a most prosperous condition since 1879. The progress in the direction of encouraging home industry is in some degree set forth in the following statement of imports of raw materials, the figures being taken from the official returns:—

IMPORT OF RAW MATERIALS.

	1879.	1890.
Coal.....	\$ 3,054,846	\$ 8,258,030
Raw cotton.....	774,703	3,761,776
Lumber.....	205,984	477,707
Rags.....	92,179	227,400
Iron, pig.....	488,824	1,137,312
Lead, pig.....	85,654	284,246
Steel rails.....	1,334,163	2,251,930
Zinc.....	72,378	92,530
Broom corn.....	89,954	97,527
India rubber.....	187,234	563,278
Raw furs.....	142,899	396,178
Grease.....	89,275	154,855
Guns.....	39,229	149,508
Hemp.....	278,299	774,587
Hides.....	1,207,300	1,709,751
Ivory nuts.....	26,197	188,845
Raw silk.....	32,004	192,824
Wool.....	1,106,210	1,729,056
Settlers' effects.....	803,506	1,810,218
Raw tobacco.....	711,129	1,344,780
Coin and bullion.....	803,726	1,083,011
Tinplates.....	85,156	1,175,028
Raw sugar.....	40,939	5,362,121
	\$11,751,788	\$33,222,498

The import of the articles above enumerated is to-day about three times as great as twelve years ago. Apart from three items—settlers' effects, coin and bullion, and steel rails—every article mentioned has to undergo the process of manufacture in Canada before becoming ready for the market, in which operations tens of thousands of artisans are employed. The manufacturing business of Canada to-day, measured by the importations of raw materials, not a bad test, is about three-fold as large as when the Liberal party went out of power, a growth due almost entirely to the adoption of a protective tariff.

THE TEA TRADE.

The consumption of tea affords a good indication of the progress of Canada in wealth and population, and as the article has to be imported, the Trade Returns give us the exact figures bearing on the point. Here they are:—

IMPORTS OF TEA.

FROM.	1878. • LBS.	1890. LBS.
Great Britain.....	4,680,690	7,905,830
United States.....	5,810,966	763,267
China.....	484,542	2,195,898
Japan.....	1,101,968	7,462,674
Germany.....	5,404	
West Indies.....	50	127,011
Newfoundland.....	2,287	
Total.....	12,085,907	18,455,280

Now it will be seen that:—

The consumption of tea has increased 6,400,000 pounds annually, or 53 per cent. since 1878.

The value of tea imported in 1878 was 23½ cents per pound for green and 24 cents per pound for black, while in 1890 the value of tea imported was 15½ cents for green and Japan, and 17½ cents for black.

This reduction in the cost of tea, by which every consumer in Canada saves money, has been brought about by the abolition of the duties imposed by the Liberal Government, six cents a pound

on green and five cents a pound on black tea, and partly by the agency of the Canadian Pacific Railway, by means of which a direct and cheaper route to China and Japan is afforded.

If the duties imposed on tea by the Liberal Government were now in force the collection last year would have amounted to more than \$1,000,000. The present Government has made the people a gift of that money.

THE SUGAR TRADE.

The character of our imports of sugar has undergone a remarkable change under the National Policy. It is scarcely necessary to recall the well-known fact that the single sugar refinery in operation when the Liberals came into power in 1874 was soon after compelled to succumb to the one-sided competition from foreign refiners encouraged by the Liberal tariff, an event which deprived some 500 workingmen, heads of families, of employment. Since 1879 half a dozen sugar refineries have gone into operation, the latest addition to the number being in Victoria, British Columbia, and now practically every pound of sugar consumed in Canada is refined by our own people, several thousand of whom obtain employment, directly and indirectly, in connection with the sugar trade. Here are the figures of the imports:—

IMPORTS OF SUGAR—1878.

FROM.	RAW. Lbs.	REFINED. Lbs.
United States.....	258,568	44,936,767
Great Britain.....	30,094	53,208,068
West Indies.....	714,616	11,277,558
Other countries.....		533,285
Total.....	1,003,278	109,955,678

IMPORTS OF SUGAR—1890.

FROM.	Lbs.
United States.....	17,974,331
Great Britain.....	9,459,239
West Indies.....	58,075,488
East Indies.....	11,818,571
Brazil.....	18,830,177
Germany.....	34,274,474
British Guiana.....	3,864,968
Spanish possessions.....	32,425,646
Other countries.....	2,559,343
Total.....	189,282,237

Of the importation of nearly 190,000,000 pounds of sugar last year, only 5,140,000 pounds ranked as refined, the balance being raw sugars brought direct from countries of growth, and worked into the finished state in Canada.

The total amount of duty collected on sugar in 1878 was \$2,515,655, or \$2.26 per 100 pounds. The total amount of duty collected on sugar in 1890 was \$2,851,547, or \$1.50 per 100 lbs.

TRADE WITH GREAT BRITAIN.

The allegation that the fiscal policy adopted in 1879 has done much to injure British connection may safely be left for answer to the observation and discernment of every intelligent Canadian. It is interesting, however, to examine the influence of that policy upon our trade with Great Britain and the United States. In 1873 Canada purchased British goods to the value of \$68,522,000, in 1879 to the value of \$30,993,000, and in 1890 to the value of \$43,390,000. In the first period our import trade from the mother country declined more than one-half. It was a period of severe commercial depression, of falling prices, during which the aggregate trade of the country suffered a serious shrinkage. It was also a period of low tariff. But mark the course of trade with the United States. In 1873 we purchased from that country to the value of \$47,735,000, in 1879 to the value of \$43,739,000, and in 1890 to the value of \$52,291,000; that is to say, while under a low tariff the imports from Great Britain declined \$37,500,000, those from the United States declined only \$4,000,000; and while under the protective system imports from Great Britain have augmented \$12,400,000 those from the United States have augmented less than \$9,000,000. A fiscal policy productive of these results cannot truthfully be described as hurtful to British connection.

It may be said, however, that we buy more largely from the United States than from Great Britain. We have done so for a great many years; we did so before the National Policy was established, and we are likely to continue the practice indefinitely. The excess of our purchases from the United States over those from Great Britain was greatest between 1875 and 1879 under the low tariff, for the reason that in addition to raw materials we

then bought largely American manufactures. Look at the figures :—

IMPORTS.

	Great Britain.	United States.
1873	\$68,522,700	\$47,735,600
1876	40,734,200	46,070,000
1877	39,572,200	51,312,600
1878	37,431,100	48,631,700
1879	30,993,100	43,739,200

That is the way our trade with England went to the dogs in the days of Liberal rule. Now, under the National Policy, our purchases from the United States consist principally of raw materials, while Britain supplies us with our manufactured imports. Here is a statement of some leading imports into Canada in the fiscal year ending June 30th, 1890 :—

IMPORTS IN 1890.

	From Great Britain	From United States.
Coin and bullion	\$113,232	\$925,644
Settlers' effects	327,460	1,469,268
Gutta percha	7,816	565,373
Raw cotton	40,722	3,721,054
Leaf tobacco	5,444	1,316,718
Clover and grass seed	1,121	199,662
Trees and plants	2,383	41,923
Green fruit	5	748,381
Broom corn		97,527
Wool	678,897	691,599
Raw silk.....		192,824
Hides.....	30,177	1,660,553
Grease		154,855
Eggs.....	69	89,444
Logs and lumber.....	1,990	893,890
Anthracite coal.....	9,066	4,586,661
Ivory nuts.....		175,377
Raw furs.....	76,835	248,484
Marine furs		39,063
Totals.....	\$1,295,217	\$17,818,300

Now there is not one of the articles above enumerated the source of whose importation can be affected by the tariff. If duties, high or moderate, were levied upon any one of them, the extent of the trade might be dwarfed, but the place of origin would not be changed in any degree. They are, for the most part, natural products which constitute the raw material of manufacturers, and are put on the free list for the purpose of encouraging and fostering industrial enterprise in Canada. More than one-third of our imports from the United States are embraced in this list, and as manufacturers grow and prosper in the Dominion, the purchase of these goods from our neighbours will increase; but will any one pretend to say that the enlargement of an import trade so constituted implies tariff discrimination against Great Britain, or tends to impair British connection? Then, Canada buys a considerable quantity of farm produce from her neighbor, upon which duties are levied, partly for revenue and partly for protective purposes. The list comprises natural products not exported from Great Britain to any appreciable extent, as the following statement of imports by Canada during the fiscal year 1890 will show :—

	From Great Britain.	From United States.
Beans.....	\$ 156	\$ 15,809
Corn.....		1,170,022
Oats.....	565	97,970
Peas.....	1,472	6,312
Rye.....	6	271
Wheat.....	111	149,994
Bran and flour.....	18,688	1,122,852
Soft coal.....	141,348	3,549,943
Live stock.....	2,565	345,368
Butter and cheese.....	5,709	77,228
Lard.....	258	301,028
Meats.....	18,152	1,611,043
Totals.....	\$189,030	\$8,447,840

Here again we have a list of articles the source of importation of which cannot be affected by the tariff, although the extent of the trade may be. Deducting these items of natural products,

which England cannot furnish us with, however anxious we may be to buy from her, the relative value of imports into Canada stands thus;—

From Great Britain.....	\$41,905,994
From United States.....	26,025,833

The trade represented by these figures is principally in manufactured iron, cotton, wool, linen, etc., and the large excess of purchases from the mother country indicates plainly that, whatever else it may have done, the National Policy has certainly not injured British trade.

Moreover it does not lie in the mouths of advocates of unrestricted reciprocity to attack the National Policy on the ground of discrimination against Great Britain, when at the same moment they advocate the imposition of still higher duties against the mother country, and free markets for American products. Canada to-day buys from Great Britain to the value of \$8 per head of population yearly; the United States buys to the value of \$2.75 per head of population. Adopt unrestricted reciprocity and any school-boy can tell you that our trade with England will at once decline to nearly one-third its present dimensions.